



## **Bipartisan Combatting Organized Retail Crime Act**

*Introduced by Rep. Susie Lee (D-NV), Rep. Ken Buck (R-CO), Rep. Dina Titus (D-NV), and Rep. Ted Budd (R-NC)*

### **The Need:**

- Organized retail crime (ORC) is increasingly threatening American shops, consumers, and communities across Nevada and the rest of the United States.
  - ORC involves theft or fraudulent activity conducted with the intent to convert illegally obtained merchandise or cash into financial gain in multiple instances, as part of a broader operation.
  - ORC syndicates plan attacks on highly sought-after goods and then look to sell them either through backdoor and online marketplaces, or through apparently legitimate business fronts operating in plain sight.
  - High-profile “smash-n-grab” robberies have hit major retailers and small businesses alike, threatening both livelihoods and lives with often violent thefts.
  - ORC costs retailers \$720,000 for every \$1 billion in sales, a 50% increase since 2015.<sup>1</sup>
  - These illicit operations take a great toll on businesses, communities, and the American economy, posing great societal and public safety threats.
- In addition, ORC provides criminal organizations a low-risk, high-reward business line, with nearly \$70 billion of illicit proceeds stemming from ORC activities annually.<sup>2</sup>
  - These organizations work to launder billions of ORC dollars through the formal financial sector, unregulated payment processors, and online marketplaces.
  - These illicit proceeds too often facilitate other serious criminal operations, like human trafficking, drug smuggling, and arms dealing.
- ORC not only raises costs to American consumers, but it also threatens the safety of Americans as the groups become more brazen and violent in their attacks on retail stores.
- It is past time for Congress to act to ensure that law enforcement has the tools necessary to combat these criminal organizations by supporting public-private partnership and information sharing between retailers, financial institutions, law enforcement, and other interested parties.
  - We must act now to combat the mounting threat of ORC and dismantle criminal syndicates both domestically and internationally.

### **What This Bill Does:**

- The *Combatting Organized Retail Crime Act* would establish a Center to Combat Organized Retail Crime at Homeland Security Investigations (HSI), combining expertise from state and local law enforcement agencies as well as from the retail industry.
  - The center would include representatives from across the government, as well as retail industry members, creating a collaboration hub for government and retailers to counter the troubling surge in retail crime.
- The bill would also create new tools to assist in the federal investigation and prosecution of organized retail crime and help recover lost goods and proceeds.
  - Specifically, the legislation would update the law to designate ORC a federal crime and equip federal investigators and prosecutors to combat these operations.
- The bill also requires the Department of Homeland Security and Department of Justice to report to Congress on ORC activity and enforcement, as well as to review grant programs existing to support state and local law enforcement agencies in combatting ORC.

- Senators Chuck Grassley (R-IA) and Catherine Cortez Masto (D-NV) lead the bipartisan companion to this bill in the Senate.

**Supporting Organizations:**

- National Retail Federation
- Retail Industry Leaders Association
- U.S. Chamber of Commerce
- Innovating Commerce Serving Communities
- Peace Officers Research Association of California
- Federal Law Enforcement Officers Association
- Sergeants Benevolent Association NYPD

**To review this legislation, see the [Congress.gov](#) page for [H.R. 9177](#).**

**For more information or to cosponsor or endorse this bill, please contact:**

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<sup>1</sup> <https://nrf.com/research/2020-organized-retail-crime-survey>

<sup>2</sup> <https://www.acams.org/en/media/document/29436>